



FROM THE OFFICE OF STATE TREASURER BRIAN K. KROLICKI

FOR IMMEDIATE RELEASE

DATE: June 19, 2003

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BOND SALE SECURES HISTORICALLY LOW INTEREST RATES

(Carson City, Nevada) – State Treasurer Brian K. Krolicki announced today the sale of almost \$180 million in transportation bonds at a historically low interest rate of 2.7%. The bonds were previously authorized by the Legislature and approved by the Board of Finance at its May 13, 2003 meeting, and the proceeds will be used for projects including the bypass extension between Carson City and Reno and US 95 in Las Vegas.

“I’m delighted with the highly competitive sale this morning and the low rates we secured,” said Treasurer Krolicki. “The 2.7% rate for these ten-year bonds is among the lowest rates the Treasurer’s office has locked into in over half a century.”

The ability to proceed with the bond sale this morning was questionable due to the current legislative impasse. However, the sale of the Highway Improvement Revenue (Motor Vehicle Fuel Tax) Bonds could move forward because the bonds are pledged by gas taxes and federal reimbursement programs rather than other State monies. Unfortunately, Treasurer Krolicki determined it was not fiscally sound to proceed with the sale of more than \$200 million in other previously-approved bonds after discussions with the rating agencies and gauging the comfort level of capital market participants.

“Without the State budget being clarified at this point, I believe it would be highly imprudent to proceed with the sale of these bonds,” stated Treasurer Krolicki.

The bonds that cannot be issued include:

\$45,195,000 General Obligation (Limited Tax) Capital Improvement, Cultural Affairs and Refunding Bonds, ***Series July 1, 2003A***;

\$20,040,000 General Obligation (Limited Tax) Natural Resources and Refunding Bonds, ***Series July 1, 2003B***;

\$23,680,000 General Obligation (Limited Tax) (Revenue Supported) Water Refunding Bonds, ***Series July 1, 2003C***;

\$20,000,000 General Obligation (Limited Tax) University Refunding Bonds, ***Series July 1, 2003D***;

\$61,210,000 General Obligation (Limited Tax) Open Space, Parks and Cultural Resources Bonds, ***Series July 1, 2003E***;

\$31,310,000 General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds, ***Series July 1, 2003F***.

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